FOR MYSORE STATE

II-27—40,000—27-10-52

Food (195$_{49}$) Department

Ms. SERIES.

G.O. No. 831

Dated 28th June 1949

[Despatch Abstract.]

Rationing - Madras Province - Ration shops run by agents, mukhtars etc. of licence holders - Elimination - Orders passed - Papers - Recorded.

GOVERNMENT OF MADRAS
Food Department

MEMORANDUM No.44762-B/48-2, dated 6th December 1948.

RATIONING - Madras City - Ration shop No.30/R - Cancellation of authorisation - Revision petition to Government - Rejected.

-From Sri Ekambara Nadar, Royapuram, petition dated 4th October 1948
From the Board of Revenue (Civil Supplies), Reference No.134066-K/48, dated the 22nd-November, 1948.

The Government see no grounds to revise the orders already passed. The revision petition is rejected.

2. The Government observe from the reports submitted in this case that a practice is prevalent by which an individual obtains one or more licences to run ration shops and himself does not run the shop, but runs it through agents and clerks. Thus, the person who actually conducts the ration shop is not the person who is licensed to run the shop with the result that when irregularities are detected, the licensee pleads ienorance and tries to pass on the offence to the clerk or agent concerned. Such conduct on the part of the licensee also leads to a lot of mischief and undesirable practices. The Government consider that an investigation should be made as to the total number of shops actually run by the owners themselves and those run bythe nominees of the owners with a view to see that bogus license holders are dealt with suitably. The Board is requested to investigate and submit a rebort to the Government in the matter.

3. The records sent with the Board's reference second cited are returned herewith. The Board is requested to acknowledgetheir receipt.

Sd/ ** **
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To Sri Ekambara Nadar, c/o Basheer Ahmed Sayeed, Advocate, "Sadhu gardens", Alwarpet, Madras (para 1 only)
To the Board of Revenue (Civil Supplies) (with records)

List of records:

(1) C.R.O's file R.Dis.8795/48
(2) Memorandum Book from 22-6-48
(3) History statement
(4) Register C

Board of Revenue (Civil Supplies)
Subject:

RATIONING - Ration shops run by agents, nominees etc. - Investigation - Report submitted - Orders - Solicited.

Board's Ref.No.134066-K-1/49, dated 7-6-1949

From

C.K. Vijayaraghavan Esq., I.C.S.,
Commissioner of Civil Supplies.
Sri E. Virabhadra Pillai, B.A.,
Provincial Controller of Food Rationing.

Read: Government Memorandum No.44762-B/48-2 Food, dated 6th December, 1948.

The Board called for from the Collectors and Rationing Officers, the particulars required for investigating the number of shops actually run by the owners themselves and those by their nominees. The reports of most of the

Collectors and Rationing Officers do not contain the full particulars required and those of some have not yet been received. From the reports so far received it is observed that the following kinds of binami transactions are being carried on and they are dealt with below:

(a) One individual having more than one ration shop: Early in 1945, it was decided that no one should have more than one ration shop. In B.P.Rt.626-A/45, dated 23-4-45, and Board's L.Dis.1487/K1-45, dated 3-5-45 it was ordered that no one should be allotted more than one ration shop, except in the cases of Co-operative Societies and those who on 23-4-45 had more than one ration shop. Under this exception there are at present 29 private dealers owning 67 shops in Madras City each having more than one shop. The City Rationing Advisory Committee, Madras passed a resolution on 7-5-49, recommending that no ration shop-keeper who had more than one shop on 23-4-45 be allowed to retain more than two shops, and that shops held in excess of two, might be withdrawn for allotment to new applicants (copy of the C.R.O's report No.F-14/49 dated 11-5-49 is enclosed). The Board submits that it is not safe to allow a person to run more than one shop except the Co-operative Societies, as they may minimise the evil of bogus cards and other irregularities.

In Board's L.Dis.No.1045-U4/46, dated 25-5-46 it was also ordered that if there was difficulty in getting retailers, a retailer in the statutorily rationed area might as a special case be allowed to run another ration shop in the rural rationed area and vice versa provided the shops were not so near together that there might be some danger of the stocks being moved backwards and forwards. The Board considers that in such cases also the persons having more than one ration shop cannot themselves run all the ration shops, and will have necessarily to appoint agents to run the shops which is against the spirit of the observations made by the Government. In view of the above, the Board proposes to issue instructions to all Collectors and Rationing Officers to see that as a rule no ration shop-keeper, in any rationed area (rural or statutorily), except Co-operative Societies, is authorised as such in respect of more than one ration shop. All those who own more than one ration shop at present will be immediately deprived of their additional ration shops.

(b) Shops run by agents or nominees: There are cases wherein the shops are run by nominees or agents with ~~ix~~ or without regular power of attorney. The shops are given to the dealers for running them themselves and not by their agents or nominees thereby entering into a subsidiary contract for benefiting themselves financially by this arrangement. If they are run by gents or nominees the department can as well allot them direct to the nominees or agents themselves and have direct control over the persons running the shops.

In certain other cases though the shops are run by agents or nominees the individuals to whom the shops were originally allotted undertake to bear the responsibility for the proper maintenance of the shops. Even in such cases the arguments set forth above apply with equal force and the shops may as well be allotted direct to the individuals running them.

In cases of the kind specified above, the Board proposes to inform the dealers that if they do not run the shops themselves and under their personal supervision the licences granted would be cancelled and allotted to those who elect to run them themselves instead of by agents or nominees. It is, however, pointed out that it is difficult to lay down any hard and fast rule.

p.t.o.

The owner himself cannot sit at the ration shop and run it He will have to employ sufficient number of servants and carry on the work. Instructions will be issued that the licencees should themselves sign all returns, references and records and should be personally responsible for the proper running of the shop, if necessary, with the assistance of servants and for the mistakes committed by the servants and should not try to shift the responsibility in on others when found fault with.

(c) Shops run by relatives - son, brother, son-in-law and relatives whose relationship is not mentioned.

In some cases of the above kind, the licensees are residing in the rationed area and in some cases they are residing outside the area - even in other districts. If a relative whose relationship to the licensee is not mentione or who is not an undivided member of his family is allowed to run the shop, the orders that the agents etc. should not run the shop could easily be circumvented by calling the agent a relative of the licensee. Hence this should not be permitted.

Though there seems to be no harm in allowing an individual to run his ration shop by his near xk relatives such as son, brother etc., the Board submits that even in these cases, the ration shops should be run by the licensees themselves, who should be residing in the area and under their immediate supervision and if this is not done, the licenees should be cancelled and given to the person running the shops. However, in order to avoid undue hardship on the family of the licensee, the licence would be given on merits to the close relation of the licensee, who actually runs the shop.

(d) Shops run by the servants of a licensee occasionally supervised by the licensee who resides outside the rationed area.

In this case even though the supervision is by the licensee himself, it is only occasional as he lives outside the area. He cannot therefore have effective supervision though he is himself responsible for the defects. There is also no point in allotting a ration shop to one who is living outside the rationed area. In such cases the licence may be cancelled and allotted to others. The licensees should reside in the locality where the ration shop is located.

(e) Shops leased out to others: There are cases in xhi which the shops allotted to certain individuals are leased out to others. In such cases it has to be presumed that the lessors are not financially sound and have xxxxd leased out the shops to others who are being financially benefited by this transaction. There is no point in individuals who cannot find the required finances taking up shops and leasing them to others. In such cases the licensees will have to be replaced.

There is a case of a Harijan leasing out his shop to a Marvadi for a monthly allowance. It is stated that there is no proof for this transaction. The Board proposes to instruct the Rationing Officer, to make frequent surprise inspections of the shop and find out the truth. If there is proof of leasing, the licence deserves to be cancelled. In the absence of any proof it is proposed to instruct the Rationing Officer to have a close-watch over the shop and to see that the licence is cancelled for the slightest mistake.

(f) Shops run by Co-operative Societies: The Societies may run the shops by their agents, managers, clerks etc,

but the societies will be responsible for the proper running of the shops and they will be taken to task for the irregularities committed by their servants.

(g) Shops run by unregistered Societies: There are instances wherein the shops which have been allotted to share-holders have not formed themselves into Registered Co-operative Societies. The President or the Secretary has executed the agreement and paid security deposits on behalf of the Society. The Board considers it better if these societies are asked to register themselves as Co-operative Societies; but proposes to allow them to continue even if they do-not register themselves as Co-operative Societies as there seems to be no ground to replaee them till any serious irregularities are noticed and the responsibility for the irregularity is shifted from one to another.

The Board proposes to follow the above policy in the case of ration shops in the statutory and rural areas and also in the case of retailers in the surplus districts, and requests the approval of the Government on the various points dealt with above.

Sd/ ** **
8-6-1949
for Provincial Controller of
Food Rationing.

To the Secretary to the Government of Madras, Food Department
with enclosure
Copy to K.1 and spare copy one.

GOVERNMENT OF MADRAS
Food Department

Memorandum No.44762-B/49-6, dated 28th June, 1949

RATIONING - Madras Province - Ration shops run by agents - Nominees etc. of licence holders - Elimination of - Board's proposals - Accepted.

From the Board of Revenue (Civil Supplies) Reference No.134066-K1/49, dated 7th June 1949.

The Government accept the proposals made by the Board of Revenue (Civil Supplies) in its reference cited.

Sd/ * *
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To the Board of Revenue (Civil Supplies)
Copy for S.F. with a copy of the Board's Reference cited).

(True copy of current file)

Superintendent,
Madras Record Office.

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p.t.o.

Food (B) Department.

To A.S.

Please see the memo to the Board and the Board's reply on pp.25 and 29-31 c.f. - -

- The Government observed from a report of the City Rationing Officer that a practice is prevalent in rationed areas by which an individual obtains one or more licences to run ration shops and himself does not run the shop, but runs it through agents and clerks. Thus the person who actually conducts the ration shop is not the person who is licensed to run the shop with the result that when irregularities are ~~detected~~ detected, the licensee pleads ignorance and tries to pass on the blame to the clerk or agent concerned. Such a conduct on the part of the licensee also leads to a lot of mischief and undesirable practices. The Board of Revenue (~~Civil~~ Civil Supplies) ~~has~~ was therefore asked to investigate about the total number of shops actually run by the owners themselves and those run by the nominees of the owners with a view to see that bogus licence holders are eliminated. The Board has made the following proposals in this regard:--

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1./Individual having more than one ration shop: For the reasons stated in paragraph (a) on p.29 c.f. the Board proposes that all those who own more than one ration shop at present will be immediately deprived of their additional ration shops.

2. Shops run by agents or nominees: For the reasons given in paragraph (b) on pp.29-30 c.f. the Board proposes to allot the shops to the nominees or agents themselves so that Government may have direct control over the persons running the shops, if the licensees do not run the shops themselves.

3. Shops run by relatives, son, brother, son-in-law and other relatives whose relationshop is not mentioned: The Board proposes to allot the shops to the close relations of the licensee who actually runs the shop, if the licensee himself does not run the shop directly.

4. Shops run by the servants of a licensee occasionally supervised by the licensee who resides outside the rationed area: In such cases the Board proposes to cancel the licence and allot the shops to others who reside in the same locality and conduct the shop directly.

5. Shops leased out to others: There is no point in individuals taking up shops and leasing them to others. The Board proposes to replace them by persons who could run the shops themselves.

6. Shops run by co-operative societies: The Societies may run the ration shop by their agents, managers, clerks etc. but the societies will be responsible for the proper running of the shops and they will be taken to task for the irregularities committed by their servants.

7. Shops run by unregistered societies: For the reasons stated in para (g) on p.31 c.f. the Board proposes to continue the ration shops run by such societies unless serious irregularities are noticed and the responsibility for the irregularities is shifted from one to another.

For orders whether the Board's proposals above will be accepted. The file may be circulated to H.M. (Food) with reference to the minute of Ex. H.M. (Food) on p.4 ante.

The ~~Board~~ Board's proposals may all be accepted.

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19-6-1949.

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The changes proposed by the Board are very necessary in the interests of efficient administration and may be accepted.

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21-6-1949

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25-6-1949
H.M.(Food)

with reference to the orders in circulation above, a draft Memo is submitted for approval. After issue the papers may be recorded.

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28-6-1949

G.O.Ms.No.531, dated 28th June, 1949.

Rationing - Madras Province - Ration shops run by agents - Nominees etc. of licence holders - Elimination orders passed - Papers recorded.

(True copy of note file)

Superintendent,
Madras Record Office.

aj/13.7.